

Vermont State Teachers' Retirement System
August 8, 2008
Minutes of Phone Meeting

VSTRS Board Members Present: Jon Harris (Chair), Joe Mackey, Vaughn Altemus, Jay Kaplan, Tom Candon, Jeb Spaulding

Also present: Linda Delduca, Beth Pearce, Cynthia Webster, David Minot

The Chair called the meeting to order at 1:38 pm to discuss the agenda items, principally the prospective State plan to offer Vermont teachers a new 403(b) retirement investment program.

At 1:40 pm the meeting went into executive session.

At 2:38 pm the meeting came out of executive session.

Jeb Spaulding made the following motion, seconded by Joe Mackey:

The Vermont State Teachers' Retirement System Board reconfirms its selection of "Scenario II" investments for the prospective State 403(b) investment program as proposed by Great West Retirement Systems (the Scenario II list of investments comprise the Key Guaranteed Portfolio Fund offered by Great West; the T. Rowe Price Retirement 2010, 2020, 2030, 2040 and Income Retail "Life-cycle" Funds; and the Vanguard Small-cap Index, Mid-cap index, Institutional Index, Total International Stock Index, and Total Bond Market Index Funds) including offering Reality Investing with self-directed brokerage accounts (the "Investment Program"). Further, VSTRS authorizes contractual engagement of Great West Retirement Systems to administer and provide record keeping services for the Investment Program for 5 years if an administrative waiver relative to Administration Bulletin 3.5 is obtained, or for four years if such waiver is not obtained, subject to (i) the participant fee being no greater than 0.15% of participant assets (not including fees charged by the mutual funds listed herein), (ii) any Treasurer's Office expenses requested to be paid by the investment program are to be reviewed and approved by the VSTRS Board, and (iii) attainment of an acceptable contract between VSTRS and Great West.

The motion carried unanimously.

There was a discussion regarding the choice of brokerage firms for self-directed brokerage accounts. The Treasurer's staff was asked to gather information on Charles Schwab and Ameritrade and present it to assist the VSTRS Board in making a selection of one of these two firms.

Upon a unanimously approved motion to adjourn, the meeting was adjourned.

Respectfully submitted by David Minot, Director of Finance and Investments.